

§ 1739.13

(a) The construction, acquisition, or leasing of facilities, including spectrum, to deploy Broadband Transmission Service to all participating Critical Community Facilities and all required facilities needed to offer such service to residential and business customers located within the proposed Service Area;

(b) The improvement, expansion, construction, or acquisition of a Community Center that furnishes free access to broadband Internet service, provided that the Community Center is open and accessible to area residents before, during, and after normal working hours and on Saturday or Sunday. Grant funds provided for such costs shall not exceed the greater of five percent (5%) of the grant amount requested or \$100,000;

(c) End-User Equipment needed to carry out the Project;

(d) (1) Operating expenses incurred in providing Broadband Transmission Service to Critical Community Facilities for the first 2 years of operation and in providing training and instruction. In order to qualify as eligible costs for grant coverage or as matching fund contributions, operating expenses for providing broadband transmission service to Critical Community Facilities must:

(i) Be incurred for the purpose of providing broadband service to the Critical Community Facilities and be for costs incurred during the first two years of operation; and

(ii) Be for the following purposes subject to the specified maximum amounts:

(A) Salary for operations manager, not to exceed \$30,000 per year.

(B) Salary for technical support staff, not to exceed \$30,000 per year.

(C) Salary for community center staff, not to exceed \$25,000 per year.

(D) Bandwidth expenses, not to exceed \$25,000 per year.

(E) Training courses on the use of the Internet, not to exceed \$15,000 per year.

(2) The operating costs to be funded by the grant or used as matching contributions cannot exceed in the aggregate \$250,000. No other operating expenses are eligible for grant funding or to be considered as matching funds; and

(e) The purchase of land, buildings, or building construction needed to carry out the Project.

§ 1739.13 Ineligible grant purposes.

(a) Grant funds may not be used to finance the duplication of any existing Broadband Transmission Service provided by another entity.

(b) Facilities financed with grant funds cannot be utilized, in any way, to provide local exchange telecommunications service to any person or entity already receiving such service.

§ 1739.14 Matching contributions.

(a) The grant applicant must contribute a Matching Contribution which is at least fifteen percent (15%) of the grant amount requested and shall be in the form of:

(1) Cash for eligible grant purposes.

(2) In-kind contributions for purposes that could have been financed with grant funds under this part. In-kind contributions must be new or non-depreciated assets with established monetary values. Manufacturers' or service providers' discounts shall not be considered as a Matching Contribution.

(3) The rental value of space provided within an existing building to be used as the Community Center, provided that the space is free of charge to the applicant, for the first 2 years of operation.

(b) Costs incurred by the applicant, or by others on behalf of the applicant, for facilities, installed equipment, or other services rendered prior to submission of a completed application shall not be considered as an Eligible Grant Purpose or Matching Contribution.

(c) Rental values of space provided must be substantiated by rental agreements documenting the cost of space of a similar size in a similar location.

(d) Any financial assistance from federal sources shall not be considered as a Matching Contribution unless there is a federal statutory exception specifically authorizing the federal financial assistance to be considered as such.

§ 1739.15 Completed application.

A completed application must include the following documentation, studies, reports and information in